

COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject

Fleet Service Internal Service Fund

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Purpose

To establish guidelines for the development, administration and control of the Fleet Services Internal Service Fund (ISF).

Background

October 1, 1996, the Board of Supervisors established a modified Fleet Services ISF for the General Fund vehicle fleet. It was the intent of the Board of Supervisors that vehicle costs be identified with and become part of the budgets of the departments benefiting from vehicle use resulting in a greater incentive on the part of the departments to minimize unnecessary vehicle costs. The ISF is used to accrue vehicle replacement costs prior to replacement, providing the opportunity to replace older, high mileage and high maintenance fleet vehicles on a regular, planned basis.

Policy

It is the policy of the Board of Supervisors that:

1. The Department of General Services is responsible for the administration and control of the Fleet Services ISF.
2. As of July 1, 1995, all new vehicles, and vehicles purchased as replacement for vehicles in the General Fund vehicle fleet, will be placed in the Fleet Services ISF in order that, subject to the availability of funding, all vehicles in the General Fund vehicle fleet will be in the ISF by January 1, 2004.
3. The Department of General Services will maintain an ongoing master inventory by type for each department, of all vehicles in the ISF. The date of a vehicle's entry in the ISF inventory is to be the date it is delivered fully operational to the user department.
4. The Department of General Services shall annually establish rates or charges for the operations, maintenance and depreciation of vehicles in the ISF; the methodology, the rates or charges and all supporting data to be approved by the Auditor and Controller and provided to the user departments prior to January 1 of each year.
5. Interest earnings on the ISF will be placed in the depreciation reserve of the ISF to be used in conjunction with the accumulated depreciation for the purchase of replacement vehicles in the ISF.

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6. The Department of General Services shall ensure that the rates or charges are sufficient to recover both operating and overhead costs of the services provided for ISF vehicles, including accident repairs.

7. Except as noted below, the Fleet Services ISF will charge user departments a depreciation rate on vehicles in the ISF; the accumulated funds to be placed in an interest bearing account in the ISF, and used to purchase replacement vehicles as required.

8. Vehicles funded with grant funds, donated vehicles, and any other category of vehicle in the ISF not planned for replacement, will not be charged a depreciation rate, but will be subject to all other applicable rates and charges.

9. All proceeds from the sale of replaced or salvaged vehicles, and all insurance settlements for damaged vehicles in the Fleet Services ISF, shall be deposited in the ISF.

10. All maintenance and repair of Fleet Services ISF vehicles will be provided by or through the Department of General Services; the Department of General Services being authorized to determine when it is more cost efficient to use the private sector for specified maintenance or repair activities.

11. The Department of General Services, in conjunction with user departments, will develop and prioritize criteria for replacing vehicles in the ISF, the criteria to include: safety, cost of repair or operation, user department requirements, age and mileage.

12. The Department of General Services will prepare, distribute and maintain a User Guide describing the operation of the ISF.

Sunset Review Date:

This policy will be reviewed for continuance by 12-31-09.

Board Action:

6-24-97 (68)

1/28/03 (16)

CAO Reference:

1. Department of General Services

2. Auditor and Controller